

of the result of those negotiations—namely, a concession of $\frac{1}{4}$ per cent.—that I was informed that you proposed to disturb the balances.

6. You now ask my opinion upon the subject. I reply, that if you were to adopt the course you propose, you would upset an arrangement which, as Colonial Treasurer, I had made. I am quite unaware of any good reason for withdrawing part of the account, as proposed by you. The interests of the Bank of New Zealand are intimately bound up with the interests of the colony; and I do not see why we should enter into relations with other Banks.

7. It is true that the balance is at present a very large one; but it will shortly be much reduced. In the colony it will be largely drawn against, and the bills purchased by the Bank of New Zealand; so that, in reality, the Bank will be giving to the Government, in the colony, a very considerable sum, which nominally remains on deposit with the Bank, and bearing interest here.

8. I do not think that, upon the whole, the responsibilities of the Bank of New Zealand to the Government are in excess of the general responsibilities of the Bank of New South Wales to the Government of New South Wales; and, unless you have weighty reasons for doing so, I cannot conceive a course more prejudicial to the interests of the colony than that of throwing discredit upon the principal local Bank.

9. With a view to this question being well considered by the Government, I am willing to take upon myself the responsibility of instructing you not to act as you have proposed, except upon further instructions from the colony.

A copy of the correspondence with the Bank is attached.

Sir Penrose G. Julyan, K.C.M.G.
I. E. Featherston, Esq.,
W. C. Sargeant, Esq.

I have, &c.,
JULIUS VOGEL.

No. 8.

The LOAN AGENTS to the HON. the COLONIAL SECRETARY.

SIR,—

London, 4th May, 1875.

In continuation of our letter of the 6th ultimo, we transmit to you a statement showing the amounts received on account of the £4,000,000 loan, from the 6th April to the 3rd instant inclusive.

We have, &c.,
I. E. FEATHERSTON.
W. C. SARGEANT.

The Hon. the Colonial Secretary, Wellington, N.Z.

Enclosure in No. 8.

NEW ZEALAND $4\frac{1}{2}$ PER CENT. 5/30 DEBENTURE LOAN OF £4,000,000.

STATEMENT showing AMOUNT RECEIVED on Account of the above LOAN from 6th April to 3rd May, 1875, inclusive.

1875.		DR.	£	s.	d.
April 6.	Balance of former Statement	...	2,143,060	19	10
	Sundry subscribers, amount paid in full on £12,900 scrip (less 5 per cent. discount, as per contra)	...	10,320	0	0
	Ditto, first instalment, due 7th April, paid on account of £37,400 scrip	...	7,480	0	0
" 7.	Ditto, amount paid in full on £198,600 scrip (less 5 per cent. discount, as per contra)	...	158,880	0	0
	Ditto, first instalment, due 7th April, paid on account of £1,080,700 scrip	...	216,140	0	0
" 8.	Ditto £138,400 ditto ditto	...	27,680	0	0
	Ditto, interest at 5 per cent. on instalments in arrear	...	1	5	11
	Ditto, amount paid in full on £5,300 scrip (less 5 per cent. discount, as per contra)	...	4,240	0	0
" 9.	Ditto £2,100 ditto ditto	...	1,680	0	0
	Ditto, first instalment, due 7th April, paid on account of £10,400 scrip	...	2,080	0	0
	Ditto, interest at 5 per cent.	...	0	11	7
" 10.	Ditto, amount paid in full on £800 scrip (less 5 per cent. discount, as per contra)	...	480	0	0
	Ditto, first instalment, due 7th April, paid on account of £26,300 scrip	...	5,260	0	0
	Ditto, interest at 5 per cent.	...	2	3	3
" 12.	Ditto, amount paid in full on £2,000 scrip (less 5 per cent. discount, as per contra)	...	1,200	0	0
	Ditto, first instalment, due 7th April, paid on account of £243,000 scrip	...	48,600	0	0
	Ditto, interest at 5 per cent.	...	33	0	8
" 13.	Ditto bondholders, amount paid in full on £10,900 scrip (less 5 per cent. discount, as per contra)	...	6,640	0	0
	Ditto, first instalment, due 7th April, paid on account of £9,800 scrip	...	1,960	0	0
	Ditto, interest at 5 per cent.	...	1	14	9
" 14.	Ditto, amount paid in full on £23,100 scrip (less 5 per cent. discount, as per contra)	...	15,920	0	0
	Ditto, first instalment, due 7th April, paid on account of £4,300 scrip	...	860	0	0
	Ditto, interest at 5 per cent.	...	2	13	4
" 15.	Ditto, amount paid in full on £262,800 scrip (less 5 per cent. discount, as per contra)	...	157,680	0	0